News Release Communiqué

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CANADA AND NWT PARTNER TO IMPROVE WATER INFRASTRUCTURE

Hay River, NWT - (July 15, 2008) — Today the Governments of Canada and Northwest Territories (NWT) announced funding to upgrade water treatment and sewage projects in Hay River, Fort Simpson and Fort Smith, NWT.

"Canada is proud to help important projects like these get completed, and to ensure these communities have the long-lasting infrastructure they need," said the Honourable Chuck Strahl, Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians. "This investment is one of the measures we've announced to support a strengthened quality of life in the Northwest Territories. For example, in March Prime Minister Harper announced $4.2 million to assist NWT communities and workers who have suffered from economic hardship."

To make today's announcement, Minister Strahl joined the Honourable Norman Yakeleya, Minister of Municipal and Community Affairs, Government of the Northwest Territories.

"The Municipal and Rural Infrastructure Fund provided an excellent opportunity to address the growing infrastructure deficit faced by communities in the Northwest Territories," said the Honourable Norman Yakeleya, Minister of Municipal and Community Affairs. "The ability of communities to cost share key "green" infrastructure priorities such as water and waste infrastructure has enhanced their ability to implement their priority projects and ensure their success."

The Canada-Northwest Territories Municipal Rural Infrastructure Fund (MRIF) is a cost-sharing program between Infrastructure Canada and the Government of the Northwest Territories, Department of Municipal and Community Affairs. The Government of Canada's contribution to municipal water-related projects includes:

- $684,767 towards a $2.5 million project to upgrade sewage treatment infrastructure in Hay River; Government of the Northwest Territories - $973,564;
- $471,650 for water and sewer main replacement in Fort Simpson; Government of the Northwest Territories - $392,228; and
- $433,333 for intake ground stabilization, a geophysical assessment and upgrades to the water treatment plant in Fort Smith; Government of the Northwest Territories - $603,333.

Under the Canada-Northwest Territories MRIF Agreement, the federal and territorial governments each committed $16 million to the fund, with an additional $3.2 million announced in May 2007.

Through MRIF, the Government of Canada continues to work in partnership with provinces, territories, and municipalities, First Nations and the private sector to invest in local infrastructure projects. Improvements to municipal systems also encourage economic and social development that benefits Northerners, in keeping with our Northern Strategy.

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This release is also available in electronic format at www.ainc-inac.gc.ca

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Backgrounder

The Canada-Northwest Territories Municipal Rural Infrastructure (MRIF) Fund agreement was signed by Infrastructure Canada and the Government of the Northwest Territories (GNWT), January 18, 2005. The Government of Canada provided $16 million in federal funding for rural and municipal infrastructure projects in the NWT. These funds were matched by the Government of the Northwest Territories, Municipal and Community Affairs (MACA).

In 2007, the federal government invested an additional $3,203,000 in MRIF in the Northwest Territories for a total federal contribution of $19,203,000. Combined with the territorial government's contributions, the fund's total value is $38,406,000.

In the NWT, the territorial government's matching contribution was identified primarily through its capital plan. In the tax based communities funding was provided by the GNWT's water sewer cost share program and a community contribution. The investments enabled the communities to move forward with upgraded facilities and current technology.

MRIF focuses on water, waste water, cultural and recreational projects that meet local infrastructure needs which benefit a community and its residents. Projects selection for MRIF is guided by joint federal-territorial Management Committees. The Government of Canada has invested in a variety of infrastructure projects throughout the NWT that support community development.

Project Summaries:

- Hay River – upgrade to sewage treatment cells. Government of Canada - $684,767; Government of the Northwest Territories - $973,564; Town of Hay River - $841,669.

- Fort Simpson – water and sewer main replacement and enhanced chopper pump technology. Government of Canada - $471,650; Government of the Northwest Territories - $392,228; Village of Fort Simpson - $496,212.

- Fort Smith – intake ground stabilization, a geophysical assessment, and upgrades to the water treatment plant. Government of Canada - $433,333; Government of the Northwest Territories - $603,333; Town of Fort Smith – $433,334.